



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

00035/55/006

Michael O. Leavitt  
Governor

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November 2, 1998

John Blake, Mineral Resource Specialist  
School and Institutional Trust Lands Administration  
675 East 500 South, Suite 500  
Salt Lake City, Utah 84102-2818

Re: Sunray Mineral Products Lease, Sunray Mineral Products, INA/055/001, File #2, Wayne County, Utah

Dear Mr. Blake:

The Division has conducted a review of the Sunray Mineral Products activity in Wayne County Utah. A copy of a technical analysis by James D. Smith, has been enclosed for your information and files. It has been determined that the materials being mined are very similar to the humate mined in Emery County under permits from the Division's minerals program.

Mining of this property under a clay lease from SITLA, rather than a coal lease, would be consistent with similar operations in the state. The Sunray Mineral Products operation will not be permitted under the Utah Coal Regulatory Program but, should be permitted under UDOGM's Minerals program.

Should the operation change significantly, such that they begin to mine coal for a fuel source, we may want to revisit this determination. Please call if you have any questions.

Sincerely,

Daron R. Haddock  
Permit Supervisor

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enclosure

cc: Mary Ann Wright  
Wayne Hedberg  
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